



# NEWS RELEASE

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## USDA RURAL DEVELOPMENT SIGNS MOU WITH CITY OF RUGBY

RUGBY, April 15, 2004—During a ceremony today in Rugby, North Dakota, a Memorandum of Understanding (MOU) was signed between the United States Department of Agriculture (USDA) Rural Development and the City of Rugby to provide a \$100,000 grant in conducting a feasibility study on the proposed North Central Regional Correction and Rehabilitation Center project.

The MOU was signed by Rural Development State Director Clare A. Carlson and Rugby City Mayor Dale G. Niewoehmer.

"I am pleased to formalize the relationship between USDA Rural Development and the City of Rugby by signing this Memorandum of Understanding," said Carlson. "The MOU solidifies our commitment to work together in helping rural communities with economic development."

The MOU provides a mechanism to allow the city to obtain the service of a professional architect/engineer and consultant/certified public accountant to study the development of a treatment unit, analyze staffing needs, perform transitional planning and development of financing packages and develop the architectural design for the facility.

The study will be conducted in two phases. Phase one will identify local support and initial cash flow analysis, and phase two will provide information as to costs, design and pre-development of both the correctional facility and the treatment center.

The proposed project will be a 100 bed facility providing inmates with both actual cells and some beds in a group setting. The facility will be a minimum security facility with part of it to be used for drug rehabilitation treatment for inmates. Rehabilitation for meth and other substance abuse will be provided to individuals sentenced to treatment through incarceration.

The funds are provided through the Economic Impact Grant Initiative pre development funds of the Community Facilities program.

USDA Rural Development serves as the lead federal entity for rural economic and community development needs. It administers financial and technical assistance through a network of state Rural Development offices, various non-profit and educational institutional partners, and its national office.

In Fiscal Year 2003, USDA Rural Development provided over \$73.5 million dollars in loan and grant financing to North Dakota citizens.

Further information on Rural Development programs is available at any local USDA Rural Development office or by visiting USDA's web site at <http://www.rurdev.usda.gov>.

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